



Hyderabad BRANCH OF SIRC OF ICAI

&

HYDERABAD BRANCH OF SICASA



NEWSLETTER- JULY 2025

SAARATHI

~THE VOICE THAT LEADS~



Snapshots from the CA Day Celebrations

Held on 1st July, 2025 at ICAI Bhavan Lakdikapul , Hyderabad.

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SICASA HYDERABAD TREASURERS MESSEGE

National Conference "Pravaha - The Flow of Future" 2025
A sweet success I'll never forget.

From days of doubting the numbers flowing in... To days of counting the unbelievable turnout, our graph soared above and beyond! Two incredible days (June 12th & 13th) filled with knowledge, fun, and electrifying energy made this event truly unforgettable.

I still remember 2,200+ students cheering, clapping, and celebrating not just the paper presenters, but each other when their friends performed on the stage. And when Band Rudraveena took the stage? The roar, the singing, the vibe — Hyderabad proved that conferences don't have to be boring.

What made it even more special? Having once been part of that very band, watching them light up the stage felt surreal

Hosting an event of this scale in a city known for its warm hospitality and vibrant crowd was a true honor

Also grateful for being the man behind the poster design that carried the spirit of Pravaha everywhere.

Thanks to my wonderful team with whom this event was nothing less than a success special
Thanks to our SICASA chairman for supporting us through this amazing journey.

From being on the sidelines to standing on the stage, from attending to volunteering to hosting one this was more than just an event. It's an event, a milestone that I'll always carry with pride



B Satya Sampat Kumar
Treasurer, SICASA Hyderabad

SICASA HYDERABAD JOINT SECRETARY'S MESSAGE

PRAVAHA – A Journey We'll Always Remember

When PRAVAHA, The National CA Students' Conference hosted by SICASA Hyderabad, was first discussed, it was just a spark of an idea. A few meetings, a handful of "What ifs?", and a vision that felt both exciting and intimidating. We didn't know exactly how it would turn out — but we knew we had to try.

Fast forward to the event days, and that small idea had grown into something far bigger than we had imagined. The halls were packed with eager minds. Every session brought fresh perspectives from speakers who challenged us to think differently. Our student presenters impressed everyone with the clarity, research, and passion they brought to their topics. And when the lights dimmed for the cultural evening, we discovered another side of our community — a vibrant, creative spirit that proved we are far more than just numbers and balance sheets.

Were there hurdles? Absolutely. A little chaos backstage, last-minute changes, and a few unexpected twists. But those moments became our test — and we passed together. Volunteers stepped in with calm problem-solving, participants showed incredible patience, and the energy in the venue never dipped. In fact, these very challenges became bonding moments that made PRAVAHA even more memorable.

But the true success of PRAVAHA wasn't just in its schedule or performances — it was in the connections made, the conversations sparked, and the belief that we can achieve more when we work as one. The feedback and participation we received have only strengthened our resolve to bring you more platforms for learning, growth, and expression.

To every speaker who inspired us, every performer who entertained us, every volunteer who kept things running, and every attendee who brought their enthusiasm — thank you. You didn't just attend an event; you became part of a movement.



Mohammed Talha Yasar
Joint Secretary, SICASA Hyderabad

KNOWLEDGE CORNER



Snapshots from the CA Day Celebrations

Held on 1st July, 2025 at ICAI Bhavan Lakdikapul , Hyderabad.

KNOWLEDGE CORNER

Organizing information is pointless if it cannot retrieved at the right time!

Understanding and Applying Personal Knowledge Management

Personal Knowledge Management (PKM) has emerged as a critical strategy for individuals seeking to navigate information ecosystem, providing a framework to transform knowledge into practical and actionable insights, and overcome the impact of information overload in this era of internet.

Defining PKM and its Core Purpose

Personal Knowledge Management (PKM) is understood as a systematic process encompassing the collection of information that an individual uses in their daily activities, the classification and storage of this information, the ability to effectively search and retrieve it, and the sharing of knowledge when appropriate.

The aim is to manage and derive meaning from information in a way that enhances an individual's capacity for learning, improves their overall productivity, and supports more informed decision-making.

The Shift from Physical to Digital Systems

Historically, the principles of PKM were often implemented through physical means, most notably through the use of **commonplace books**. These served as personal repositories for a wide range of information, from handwritten notes and quotes to observations and ideas, often stored in physical notebooks or even on index cards.

However, the proliferation of digital technologies has profoundly impacted how PKM is practiced, leading to the widespread adoption of various digital tools and platforms like *notion*, *obsidian*, *evernote*, *roam research* etc.

A Historical Perspective: The Wisdom of Commonplace Books

Commonplace books were essentially journals or notebooks dedicated to the collection and organization of information gleaned from diverse sources, with personalized databases of knowledge, to meticulously store and readily retrieve valuable concepts, pertinent facts, and insightful observations accumulated over time.

Throughout history, numerous prominent figures across various fields recognized the immense value of commonplace books as indispensable tools for facilitating learning and fostering creativity. These individuals, including luminaries such as *Leonardo da Vinci*, *Thomas Jefferson*, and *Virginia Woolf*, utilized these books to record and synthesize information that resonated with them, contributing to their intellectual development and creative output.

How Leonardo da Vinci mastered multiple interests

Leonardo da Vinci is an individual who mastered multiple skills and interests, in part through his diligent use of commonplace books. Da Vinci himself described his notebooks as unordered collections of information, gathered from numerous papers, with the intention of organizing them at a later stage.

Da Vinci's commonplace book served as a dynamic space for him to record his thoughts, explore new ideas, and document his groundbreaking discoveries, which can significantly contribute to the development of profound expertise and mastery in multiple domains, through organized thought and information.

The Modern Approach: The “Second Brain” System

Tiago Forte's Concept of the Second Brain

The “second brain” system is a contemporary approach to personal knowledge management popularized by author Tiago Forte. The “second brain” can be viewed as a modern, digital counterpart to the traditional commonplace book, adapted for the complexities and opportunities of the digital age.

A critical component of the “second brain” methodology is the active process of distilling information to create personal relevance; by carefully processing the captured information to extract the most significant insights and consciously connecting these insights to one's own thoughts, experiences, and goals.

“A wealth of information creates a poverty of attention.” — Herbert Simon

Due to information overload, a natural response might be to attempt to capture and organize every piece of information that appears to hold potential value, but the very act of trying to capture and organize all seemingly relevant information can, become an overwhelming endeavour in itself, ultimately leading to burnout.

This creates a counterproductive cycle where the initial intention to manage information overload through exhaustive collection ends up being the problem. The constant effort required to maintain such a system adds more friction to the process and can break the consistency needed for effective knowledge management practices.

Principles for Effective PKM Implementation

1. Reduce Friction it takes to Capture

When the process of capturing valuable information is seamless and effortless, which involves focusing on capturing information that truly resonates with one's interests, helps reduce friction and make knowledge management easier.

Various tools and methods can facilitate this low-friction capture, such as browser web clippers for saving articles, integrations with e-reader platforms for capturing highlights from digital books, and the use of voice notes for recording spontaneous thoughts.

2. Focus on Future Use i.e., Be Intentional

The primary intention behind capturing ideas should be the likelihood of referring to them in the future, emphasizing a deliberate and forward-thinking approach to knowledge acquisition. Information that is not deemed likely to be acted upon or referred to in the future is less valuable for capture.

3. Review and Eliminate Regularly

The purpose of PKM is not to capture anything necessary but to eliminate everything unnecessary.

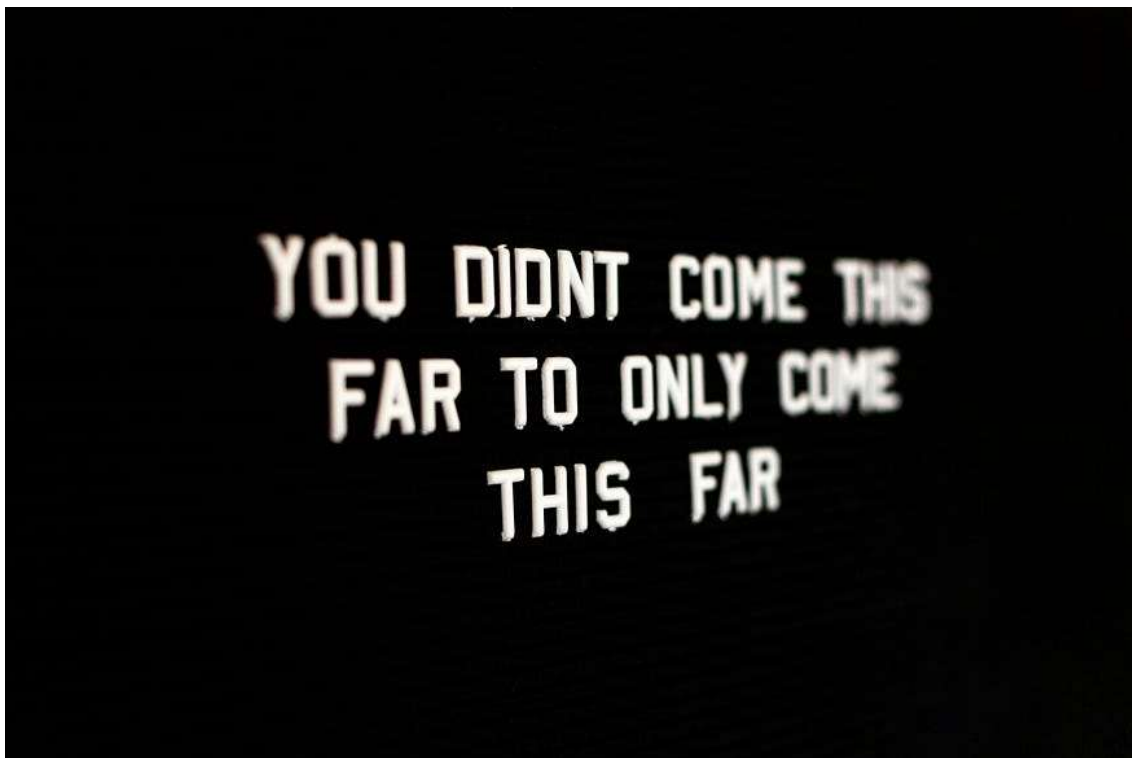
Thus, by proactively deleting information that no longer holds value or relevance, the PKM system avoids becoming cluttered with outdated or unnecessary content.

The Importance of Using Information in the Near Future

Methods like the PARA system (Projects, Areas, Resources, Archive) provide a structured approach to categorize notes based on their relevance to specific goals and timelines.

Knowledge vs. Wisdom

Knowledge is defined as an awareness of various strategies, and wisdom is characterized by the ability to recall the right information precisely when it is needed. This requires not only the storage of information but also the development of the ability to retrieve and utilize it judiciously, guided by understanding and experience. Ability to recall the right information at the right time, is a skill that can only be honed through consistent practice.



Conclusion: Cultivating a Personal Knowledge System for a More Focused and Productive Life

Implementing a personal knowledge management system provides a structured approach to manage the overwhelming influx of data, transforming potential information overload into a strategic advantage for personal and professional growth. PKM helps individuals focus on what truly matters, fostering a more streamlined and effective approach to learning and productivity. This system, when consistently engaged with and refined, becomes an invaluable asset, supporting better decision-making, enhanced creativity, and a more focused and productive life.

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ARTICLE BY STUDENT-2

Capital Gains under Development Agreements in India: A Guide for ITR Season

Introduction

The individual income tax filing season often brings renewed focus to real estate transactions, particularly complex deals such as Joint Development Agreements (JDAs). In recent years, India's real estate market has seen a rise in JDAs. For instance, developers signed **56 JDAs** covering **1,546 acres of land in just 18 months**. Industry reports indicate a **150% year-on-year increase** in JDA activity in 2024. These agreements allow landowners to partner with builders, sharing both land and project profits instead of selling their land outright. Understanding the tax treatment of these deals is important during the filing season. In particular, the capital gains from JDAs have special rules, especially Section 45(5A) of the Income Tax Act, which differ from ordinary sales. Proper calculation and timely compliance can help landowners manage their taxes and avoid penalties.

What is a Development Agreement?

A Development Agreement, often called a “Joint Development Agreement” or **JDA**, is a contract between a **landowner**, who contributes his land to the project, and the **developer/builder** agrees to build on it (for example, constructing apartments). In return, the landowner usually receives a portion of the developed property, like several flats, and/or some cash. The developer is responsible for construction, obtaining approvals, and managing sales. This allows the landowner to benefit from a share of the project's outcome without having to invest in construction. For tax reasons, this arrangement is viewed as an “exchange” of land for property or cash under a specific agreement.

Taxability of Capital Gains under a Development Agreement

Under the Income Tax Act, any profit from the transfer of a capital asset (like land) is generally taxable as capital gains.

When should it be treated as a ‘transfer’?

In JDAs, the landowner's deed might not give full ownership rights away, but the law treats some transactions as “transfer” u/s **Section 2(47)**, which states “**allowing possession of an immovable property in part performance**” and “**any transaction enabling the enjoyment of property**” comes under a contract of Transfer of Property Act. A JDA often falls under this definition; this means the arrangement can trigger a **deemed transfer** of the landowner's interest for tax purposes.



Point of Taxation?

Generally, capital gains occur when a transfer happens. However, the Finance Act 2017 added Section 45(5A) for JDA taxation. This rule defers taxation of capital gains for the landowner until the project is complete.

Instead of taxing gains when the agreement is signed, Sec. 45(5A) taxes the profits in the year the **competent authority issues the completion certificate** for the project or part of it.

! What if owners sell part of the property during development?


If the landowner sells his project share before the completion certificate is issued, he will lose the benefit u/s 45(5A). In such a case, the capital gain will be considered to occur in the year of the transfer (as per normal rules).


Rationale


Before Sec. 45(5A), tax authorities often treated JDAs as a transfer at signing, which was controversial. The amendment clarified tax timing by matching it with when the landowner actually receives the developed property. In summary, as per present law, a landowner's capital gains from JDA are usually taxed when the project is completed under Section 45(5A). This applies only to qualifying JDAs (registered agreements where consideration is a share in the project).

Can the landowner claim exemptions u/s 54 and 54F?

Landowners can potentially claim reinvestment exemptions even when gains arise from a JDA, subject to the usual rules:

 **Section 54 (Residential House):** If the original asset transferred was a residential house or site, and uses the gains to purchase another "residential house" within the allotted time, then the capital gains are exempt. High Courts have ruled that, for this purpose, several apartments received can be considered a single residential house. Thus, if a landowner receives several apartments as consideration, they may still claim the Sec. 54 exemption on the entire gain, provided the conditions are satisfied.

 **Section 54F (Any Long-Term Asset):** 54F applies if the land was not a residential home. Gains must be reinvested in a residential house in order to qualify for the exemption, and the owner cannot own more than one home at the time of transfer. Although, as noted above, courts allow that unit to be in the form of multiple flats if treated as a single house.

 **Timing and conditions:** The new property must be built within three years of the transfer, or purchased within one year prior to or two years following the transfer, for the exemption. But, if the JDA completion certificate is delayed for more than three years, the courts have granted an exemption only if the landowner can prove that the delay was not their fault (usually as a result of developer delays). Securing the exemption may be aided by documentation of delays.

Cost of Acquisition and Indexation

They're determined in the same way as for standard capital gains calculations.

Sale Consideration – Determining Full Value

Under Section 45(5A) and 48, the **full value of consideration** for the JDA transfer is defined specially:

- **Stamp duty valuation:** Section 45(5A) says the full consideration is deemed to be “the stamp duty value, on the date of issue of the completion certificate, of the landowner’s share in the project” plus any cash received.
- **Valuation officers:** If the stamp duty value seems under-declared, the Assessing Officer may call for a valuation by a government authority. Typically, however, landowners should use the officially notified stamp rates as of the CC date.

In short, the **consideration** for capital gains = stamp duty worth of landowner’s project share (on CC date) + any actual money received. This replaces using the agreement’s sale price or development cost.

Numerical Example (Illustrative)

R purchased a residential plot on 1.7.1998 for 32,00,000. FMV of plot as on 1-4-2001 is 96,00,000. X Ltd, a builder, enters into a registered Joint Development Agreement (JDA) with R on 1.7.2022. X Ltd paid an amount of 2,40,00,000 to R on 1.7.2022. A Ltd. will construct 6 residential units on the plot of land and will give 3 units to R. Construction of all 6 units was completed, and a completion certificate was issued by the competent authority on 20.8.2024. The stamp duty value of each flat on 20.8.2024 is 2,00,00,000. Thereafter, R sold one of his Flats on 25.9.2025 for 3,12,00,000.

R, the owner of the land, has entered into a specified agreement with X Ltd. on 1.7.2022 and transferred the land to X Ltd. to develop a real estate project on such land. Hence, the transfer has taken place on 1.7.2022, ie, in the previous year 2022-23, and the cost of acquisition of such land shall be indexed till such date of transfer.

However, as per section 45(5A), the capital gains shall be chargeable to tax in the previous year in which the certificate of completion is received from the competent authority, i.e A. A.Y. 2025-26. In this case, indexation will be allowed even if the completion certificate is issued after 23.7.2024, as the transfer of the plot took place on 1.7.2022, i.e., before 23.7.2024.

Computation of income under the head “capital gain” for the A.Y. 2025-26

Particulars	Amount
Consideration price $(2,00,00,000 \times 3) = 6,00,00,000 + 2,40,00,000$	8,40,00,000
Less: Indexed cost of acquisition $(96,00,000 \times 331/100)$ /cost of acquisition	3,17,76,000
Long-term capital gain	5,22,24,000

Computation of income under the head “capital gain” for the A.Y. 2026-27

Particulars	Amount
Consideration price	3,12,00,000
Less: Cost of acquisition [2,00,00,000+ 80,00,000 (being 1/3rd of consideration received in money]	2,80,00,000
Short-term capital gain	32,00,000

■ Conclusion

JDAAs provide landowners a way to monetise land without outright sale, but they also complicate tax calculations. Key takeaways for CA students and tax professionals:

- **Identify the correct year of taxability:** Capital gains are usually taxed when the completion certificate is issued (FY of CC) due to Sec.. 45(5A).
- **Compute consideration carefully:** Use the stamp duty value of the property received plus any cash/other money, as defined in Sec.. 45(5A).
- **Apply indexation for cost:** Remember to use the indexed cost of acquisition (or 2001 FMV for pre-2001 assets) when calculating LTCG.
- **Check exemptions:** Evaluate eligibility for Sec.. 54/54F – ensure conditions are met (e.g. only one house owned, reinvestment timeline). For multiple flats received, treat them as a single house for exemption.
- **File on time:** Late filing brings penalties (Sec. 234F), interest (Sec. 234A/B/C) and forfeiture of loss carry-forwards and exemptions.

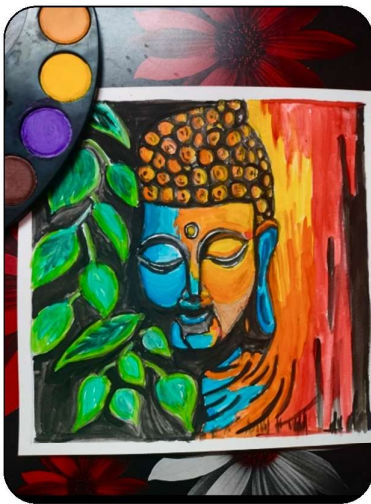
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CREATIVE BUNCH

PHOTOGRAPHY

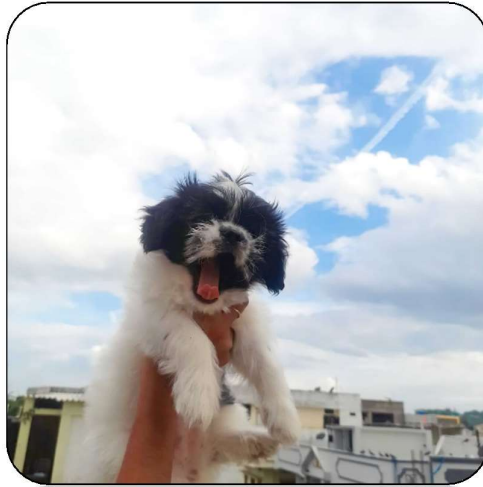


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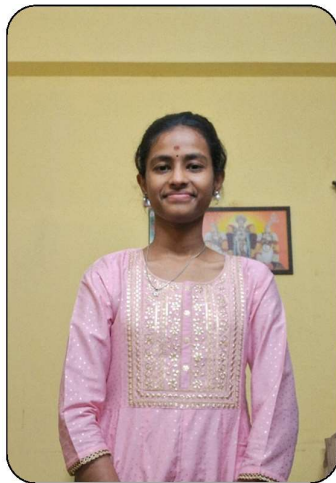
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PHOTOGRAPHY-III



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POEM

Operation sindhoor

On the border stood the soldier—fear never reached his name,
Facing storms or biting frost, yet his courage stayed the same.
At home, his daughter waited, his wife lit lamps through the night,
But the soldier absorbed each ache, pressed onward in the fight.

They launched Operation “Sindoor”—its roar proclaimed its might,
Each bunker firmly held, each front engaged in strife.
Sleep abandoned him, no rest remained, only passion burning bright—
“To protect India,” his heart’s fortress, his singular, sacred fight.

He took bullets, bore the wounds, yet never bowed his knee,
Draped in the tricolor on return—immortal sacrifice set free.
The daughter said, “Papa will come back,” hopes glimmered in her eyes,
The mother said, “He’s come—yet gone,” under those bright skies.

And every tear was gently wiped when the voice rang proud and clear:
Modi himself rose to pay respects, heartfelt and sincere.
Not mere words but actions—power shown by deeds,
He shook the enemy’s aims, ensuring boundaries were freed.

From surgical strikes to satellite might,
In the Modi era, India showed its readiness and fight.
Now the martyrs’ kin need never weep alone,
For the government stands with them, their support brightly shown.

“One soldier’s sacrifice awakens every Indian’s tears,
But with a leader like Modi at the helm,
Our nation stands confident—without fears.”



Lalak. J. Bagdiya
WRO0744085

“ Let Things Be”

(Poetic Perspective on human and desire and inner peace)

The guarded wish to run away,
The open hope for love one day.
The young just want to find their way
The old remember a brighter day.
The broken wait for light to stay
The educated search for better pay.
The unknown want a world to say
The known hide from the words they say.
The poor dream big and kneel to pray
The rich feel lost in their own way.
A pilot flying far away
Wants to rest where children play.
A farm boy looks at skies so gray
Wishing to soar like birds one day.
We chase, we want, we never flee
From dreams that bloom internally.
But peace begins when we agree
To just be still and let things be!

Sankara Pandi Muthu Laxmi
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INVITATION FOR ARTICLE

SICASA Hyderabad is inviting articles for E-Newsletter: INSIGHT for the month of July 2024. All the students who want to get featured can submit their articles, artworks, poems, and short stories etc. which are related to Chartered Accountancy curriculum for our further newsletters. You can also Quiz & Puzzles.

Send us your works on: sicasahydnewsletter@gmail.com

Last Date for Submission: 10th September, 2025.

Rules:

1. No word limit but the articles shall be confined to topic opted.
2. Article should be sent in word document only.
3. No plagiarism allowed; content sent should be original.
4. Send your works to the mail with the following attachments:
 - Your work
 - Full name along with student registration number & firm name
 - Passport photo
 - Contact details.
 - Subject of email must contain the details of your work
(E.g., Article/Artwork etc.)